

## BOARD OF FINANCE

September 11, 2008

Minutes of the Regular Meeting of the Board of Finance held at 7:00 P.M., on Thursday, September 11, 2008.

Members Present: First Selectman McCarty, Mr. Doheny, Mr. Volain, Mr. Hallahan, Mr. Piccirillo, Ms. Brown, Mr. Monico

Also Present: Assistant Director of Finance Edward J. Swinkoski

The following materials were either mailed to the members or distributed at this time.

1. Agenda – September 5, 2008
2. Minutes of Regular Meeting held on June 25, 2008
3. Letter , September 2, 2008 - Unaudited Final Reports FY 2007-2008
4. June 30, 2008
  - Report of Budget - Final
  - Special Funds Report - Final
  - Report of Revenue - Final
  - Bd/Ed Accounting – Final
  - Tax Collection Reports (2)
  - Preliminary Financial Statements (2)
  - Budget and Expenditures Recap
5. July 31, 2008
  - Report of Budget/Special Funds
  - Report of Revenue
  - Board of Education Accounting
6. August 31, 2008
  - Report of Budget/Special Funds
  - Report of Revenue
  - Board of Education Accounting
7. Draft Resolution, Budget Transfers FY 2007-2008
8. Schedule of Expenditures Compared to Budget FYE June 30, 2008
9. Draft Resolution, Senior Center Vehicle
10. Letter dated August 28, 2008 from Parrett, Porto, Parese & Colwell - Budget Transfers
11. Email dated August 25, 2008, Cancellation of August Board of Finance Meeting
12. Memo dated August 20, 2008, Rescheduling of September Board of Finance Meeting
13. Memo dated August 15, 2008, CRRA – Board of Selectmen’s Meeting
14. Memo dated July 17, 2008, Town Finance Issues
15. Memo dated July 14, 2008, Worker’s Compensation Policies FY 07-08, FY 06-07

### MINUTES

After a brief discussion of the Minutes of the Regular Meeting held on June 25, 2008, Mr. Piccirillo moved their acceptance, seconded by Mr. Hallahan.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

### OLD BUSINESS

#### BUDGET TRANSFERS

Mr. Volain stated that according to Mr. Parrett, our Town Attorney, it is clear that the budget transfers made at the June 25, 2008 were appropriate and the Board acted in good faith and within their authority.

Ms. Brown then read the letter from Mr. Parrett of Parrett, Porto, Parese & Colwell dated August 28, 2008, giving his formal written opinion on budget transfers.

Mr. Doheny stated that based on the letter, he concluded that the Town Attorney doesn't believe that transfers from the Contingency Fund require a Town meeting. He also concluded from the letter that transfers between departments, whether inter-dept or intra-dept, didn't matter, the only thing that mattered was that the Town government in aggregate did not go over the budget that was approved by the Town. Therefore we do not have to go to a Town Meeting because the Town Attorney felt that the Town was not legally obligated. He said that these were his conclusions and questioned if those conclusions were accurate.

Mr. Volain stated that although he is not an attorney, his understanding was that as long as the Town did not expend additional monies, The Board of Finance is the body that has the authority to move over/under funds from one department to another. He said that the money has already been expended and we are just making accounting entries. He also said that it is an exercise in futility if the budget transfers go to a Town meeting after the money has already been spent. Further discussion followed and Mr. Volain suggested that Mr. Doheny contact the Town Attorney to discuss his concerns.

Mr. Monico said that it is the Board's responsibility to close out last year's budget and although he agrees with the Town Attorney about transfers from the Contingency Fund, he did not agree with transferring funds between departments without a Town meeting.

First Selectman McCarty stated that both Ed Gomeau and Ed Swinkoski agreed with the Town Attorney's opinion.

First Selectman McCarty then moved the following:

RESOLVED: That the Board of Finance approves transfers in the appropriations of certain line items in the fiscal year 2007-2008 Budget, as follows:

Budget Transfers From:      \$1,149,098.99

Budget Transfers To:        \$1,149,098.99

Seconded by, Mr. Piccirillo.

VOTE:	Doheny - No	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - No
	McCarty - Yes		

#### NEW BUSINESS

#### REPORT OF BUDGET/SPECIAL FUNDS, REVENUE AND BOARD OF EDUCATION ACCOUNTING JULY 31, 2008, AUGUST 31, 2008

Mr. Volain briefly went over the June End of Year Reports. The reports for July and August were also reviewed. Further discussion followed with Board members asking several questions. These reports were accepted as presented.

RESOLUTION, SENIOR CENTER BUS

Mr. Swinkoski explained that we have an agreement with the Greater New Haven Transit District and that the federal share is 80% and the Town's share is 20%, or \$12,750. This item should have been included in the budget but was overlooked.

Mr. Piccirillo then moved the following:

RESOLVED: That a sum not to exceed \$12,750. be and it is hereby appropriated for the purpose of funding the Town's share of the Senior Center Vehicle; and, that the cost of this appropriation be deferred by the expenditure of a portion of the current year's revenues.

Seconded by, First Selectman McCarty.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

RESOLUTION, MONTOWESE SCHOOL, PAVING OF ROAD AND PARKING AREA

Mr. Doheny asked if we have already been awarded the grant.

Mr. Swinkoski explained that the State allocates money to the Town every year through the Local Capital Improvement Program (LOCIP) grant funds and that money can be used to fund various projects in accordance with state guidelines.

Mr. Volain said that there would be no cost to the Town because we will be reimbursed by the State.

First Selectman McCarty then moved the following:

RESOLVED: That it is recommended that the Board of Selectmen call a Special Town Meeting to take action on the acceptance of this recommendation to appropriate a sum not to exceed \$69,500., for the paving of the road and parking area at Montowese School; and, be it further resolved, that the Town authorize that the cost of this appropriation be defrayed by LOCIP grant funds.

Seconded by, Mr. Piccirillo.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		

PRESENTATION BY INDEPENDENT BOND & INVESTMENT CONSULTANTS (IBIC) – BOND REFUNDING

First Selectman McCarty introduced Mr. Mark Chapman of IBIC. Mr. Chapman stated that their company works with municipalities on bond refunding and have been in business for 20 years. He said that he met with the First Selectman and the Interim Director of Finance to discuss our bonds and determined that the bond Issue of 2000 would qualify for refunding. He distributed a bond refunding analysis to Board members and discussed the refunding in detail. Further

discussion followed with board members asking several questions. First Selectman McCarty said that the Board of Selectmen will meet on October 4<sup>th</sup> to consider this refunding.

#### OTHER

Mr. Doheny asked First Selectman McCarty about the Tax Incremental Funding (TIF) grant on Universal Drive by the Target Plaza. He said that the Board of Selectmen approved the issuance of the application for this grant and wanted to know if it was going forward.

First Selectman McCarty said that it was going before a Special Town Meeting at the end of this month. First Selectman McCarty explained that the original program was designed to be approved by the Board of Selectmen but in June the Governor passed a Public Act that required Town meeting approval. She also said that this is a good program and it encourages developers to remediate brown fields. First Selectman McCarty said it was promised to the developer by the past administration.

Mr. Doheny asked why this grant did not come before the Board of Finance. First Selectman McCarty said that everything that has to do with taxes goes to the Board of Selectmen.

Mr. Doheny asked what the status was of the operations audit. Mr. Swinkoski said that he has received a draft report and will have the report for the October meeting.

Mr. Doheny also wanted to know the status of the insurance claim. Mr. Swinkoski said that our insurance company has hired a forensic auditor and we have received a letter from them requesting information. We are in the process of complying with their request.

Mr. Doheny asked First Selectman McCarty if the Board was going to discuss the Connecticut Resource Recovery Authority (CRRA) tonight. First Selectman McCarty said that she was not planning on it. Mr. Doheny asked why this was not brought before the Board of Finance. First Selectman McCarty said she asked the same question and was told that it does not fall under the purview of the Board of Finance.

Mr. Doheny asked First Selectman McCarty what the increase will be in the sewer tax bill. First Selectman McCarty said that the tax bill will increase about \$20 to approximately \$203.

Mr. Doheny stated the Police Department has leased a motorcycle for two years and that the funds were taken from a Special Funds account. Mr. Doheny questioned whether this could be done without approval from the Board of Finance. Mr. Doheny suggested that a policy be written concerning special funds.

#### PUBLIC COMMENT

Discussion followed for approximately 20 minutes with several residents asking questions and making recommendations/suggestions.

There being no further business to discuss, Chairman Volain moved to adjourn the meeting at 8:55 PM, seconded by Mr. Piccirillo.

VOTE:	Doheny - Yes	Volain - Yes	Hallahan - Yes
	Brown - Yes	Piccirillo - Yes	Monico - Yes
	McCarty - Yes		